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rate quotations of actual decisions rendered by the courts. It is the somewhat too numerous citations from these decisions that make his work a trifle monotonous at times, and yet, unfortunately, no means has been devised by lawyers for satisfactorily paraphrasing the law. Stevens reasons from the standpoint of economic justice. Once having propounded the "competition theory of monopoly," the justice of competitive business practices are resolved according to the rule that the "final test of the fairness of a given method should be whether or not it restricts actually, or potentially, the normal operation of the law with the resulting survival of efficiency."

In substance what Stevens terms the "competition theory of monopoly" is based upon the principle that competition is fair and just so long as society accepts and countenances it. "The interests of society lie in the highest possible utility at the lowest possible cost. . . . To secure this result it is necessary that efficient units of organization shall be preserved; and it is equally desirable that inefficient units shall be destroyed. In other words, an organization is entitled to remain in business so long as its production and selling costs enable it to compete in a free and open market. As the productive and selling efficiency of one or more competing concerns in any line of business increases beyond that of others, the price of the goods sold tends correspondingly to decline. The more efficient organizations reduce the price in an endeavor to increase their volume of sales, expecting more than to compensate for the decreased profit per unit by the larger number of units sold. Generally, marginal concerns will gradually lose their market. Ultimately, if unable to reduce or hold their costs below the market price, they will be compelled to discontinue business."

It is patent that Stevens is not a proponent of large industrial combinations simply because they are large, and he carries the convictions of one who has investigated carefully the methods by which, fortunately or unfortunately, big business has grown. The logical soundness of some of his assertions is tinged by a super-vigilant search for recondite motives on the part of business; but he is not unfair.

In short, Montague's work illuminates the path of legal safety for business in a semi-legal fashion, while Stevens explains in a practical popular way the means, and the results thereof, pursued by monopolistic combines. Each book is complimentary to the other, and both are deserving of the shelf of the business man's library.

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INSURANCE

GEPHART, W. F. *Principles of Insurance*. Vol. I, *Life Insurance*. Pp. xi, 385. Vol. II, *Fire Insurance*. Pp. xi, 332. Price, \$1.50 each. New York: The Macmillan Company, 1917.

Volume I is a revision of an earlier work by the author entitled *Principles of Insurance*, while Volume II is an entirely new work. More extended reference will therefore be made to the latter.

The volume on life insurance is on the whole a contribution to the subject, the various topics being carefully arranged and the exposition clear. Some criticism

might be made of the elementary treatment of certain phases of the subject but a text is not supposed to equal a treatise in this respect. One may seriously object, however, to the issuance of a revised edition which does not follow the progress in the business in certain directions. Thus in the chapter on Insurance for Wage-earners the author discusses compensation laws but includes in his list of the same only twenty-three. One is at a loss to understand why employers' liability insurance is discussed in the chapter on Insurance for Wage-earners.

The volume on fire insurance appears to possess certain serious defects as well as commendable features. The strongest criticism which can be advanced, viewing it in the light of a text, is its seeming lack of plan and arrangement of chapters. It is difficult to account at times for the appearance of apparently closely related or identical topics in different places, the subsequence of certain principles whose knowledge is prerequisite for other subjects and the brief treatment accorded particular portions of the study. Some explanation is also required of such statements as, "local associations of underwriters have little actual power over rates or commissions" (p. 69).

This second volume has, however, certain distinctly commendable features. Prior to his work no adequate description of some of the more recent developments of the business was available. He has therefore rendered a service in producing a relatively up-to-date textbook. Secondly, he has incorporated to a greater degree than any other writer a discussion of fire insurance from the social viewpoint. In his chapter on the relation of the state to insurance he has discussed several issues which are now and in the near future will be very important in the conduct of the business.

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LABOR LEGISLATION

RHODES, J. E., 2ND. *Workmen's Compensation*. Pp. 300. Price, \$1.50. New York: The Macmillan Company, 1917.

Workmen's compensation, in the space of a few years, has developed from an academic theory to an accepted institution. The problem is no longer whether the principle shall be applied but to what degree and by what means.

This book presents a careful statement of the background and fundamentals of compensation and of its present status in the United States which should be useful as a basis for more detailed study or for a general survey of the problem. The author's criticism of present conditions is thoughtful and will offend neither conservative nor radical. Particularly valuable are the illustrative cases and the brief digest of the essential points of laws now in force.

R. H. B.

WEBB, SIDNEY. *The Restoration of Trade Union Conditions*. Pp. 109. Price, 50 cents. New York: B. W. Huebsch, 1917.

Mr. Webb reminds us of the government's promise to restore union conditions. He recognizes the impossibility of going back, and advocates a new settlement with the unions on the terms which will be fair and satisfactory to them.